

Fiscal Estimate - 2001 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 01-3723/1	Introduction Number SB-259
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Subject
 Missed deadline for filing for property tax exemption

Fiscal Effect

State:

- No State Fiscal Effect
 Indeterminate
 Increase Existing Appropriations
 Increase Existing Revenues
 Increase Costs - May be possible to absorb within agency's budget
 Decrease Existing Appropriations
 Decrease Existing Revenues
 Yes No
 Create New Appropriations
 Decrease Costs

Local:

- No Local Government Costs
 Indeterminate
- | | | |
|--|--|---|
| 1. <input checked="" type="checkbox"/> Increase Costs
<input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory | 3. <input type="checkbox"/> Increase Revenue
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 5. Types of Local Government Units Affected
<input type="checkbox"/> Towns <input type="checkbox"/> Village <input checked="" type="checkbox"/> Cities
<input type="checkbox"/> Counties <input type="checkbox"/> Others
<input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts |
| 2. <input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 4. <input type="checkbox"/> Decrease Revenue
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | |

Fund Sources Affected	Affected Ch. 20 Appropriations
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	

Agency/Prepared By	Authorized Signature	Date
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Fiscal Estimate Narratives

DOR 10/3/01

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Assumptions Used in Arriving at Fiscal Estimate

Under current law, if the use or ownership of a property changes in a way that makes it eligible for exemption and if the property owner files an application form with the local assessor by March 1, the property becomes exempt from property taxes. Thus, the purchase of a taxable property by a qualifying entity or new construction by a qualifying entity requires a March 1 application in order for the property to be exempt as of the January 1 assessment date.

It is expected that the bill will be amended such that the March 1 application deadline for a property tax exemption would be extended to May 1 for a property owned by a church or religious association that was located in the town of Medary and was annexed by the City of La Crosse. Because the owner of the affected property did not file the exemption application by March 1, 2001, the property is taxable in 2001 under current law and has a 2001 assessed value of approximately \$390,000. Assuming a 2001/02 net property tax rate of \$28 per \$1,000 of assessed value, the bill, as amended, would result in a shift of approximately \$11,000 [$\$390,000 \times .0028$] from the affected property to other La Crosse taxpayers. To the extent that the property would be exempt in 2002 and beyond, the property tax shift under the bill would be for 2001/02 only.

If the bill, as amended, is enacted after the printing of the 2001/02 property tax bills, the city of La Crosse would rescind the taxes in January 2002. The city would be reimbursed by the other taxing jurisdictions for their share of the rescinded tax by February 15, 2003. The city would incur minimal one-time costs associated with carrying the rescinded taxes of the other jurisdictions for 12 months.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2001 Session

Detailed Estimate of Annual Fiscal Effect

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Subject		
Missed deadline for filing for property tax exemption		
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):		
II. Annualized Costs:	Annualized Fiscal Impact on funds from:	
	Increased Costs	Decreased Costs
A. State Costs by Category		
State Operations - Salaries and Fringes	\$	
(FTE Position Changes)		
State Operations - Other Costs		
Local Assistance		
Aids to Individuals or Organizations		
TOTAL State Costs by Category	\$	\$
B. State Costs by Source of Funds		
GPR		
FED		
PRO/PRS		
SEG/SEG-S		
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.)		
	Increased Rev	Decreased Rev
GPR Taxes	\$	\$
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
TOTAL State Revenues	\$	\$
NET ANNUALIZED FISCAL IMPACT		
	State	Local
NET CHANGE IN COSTS	\$	\$See text of fiscal note.
NET CHANGE IN REVENUE	\$	\$
Agency/Prepared By	Authorized Signature	Date
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